

ALVORD AND ALVORD
ATTORNEYS AT LAW
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20006-2973

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OF COUNSEL
URBAN A. LESTER

June 4, 1999

RECORDATION NO.

FILED


22180, A, B
↓

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

JUN 4 '99

2-20PM

Dear Mr. Williams:

 Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of an Equipment Leasing Agreement, dated as of June 4, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents, and two (2) copies of each of the following secondary documents related thereto: Lease Supplement No. 1 and Acceptance Notice, both dated as of June 4, 1999.

The names and addresses of the parties to the enclosed documents are:

Lessor: First Security Bank
79 South Main Street
Salt Lake City, Utah 84111

Lessee: Alabama Power Company
600 North 18th Street
Birmingham, Alabama 35203

A description of the railroad equipment covered by the enclosed documents is:

420 railcars bearing reporting marks and road numbers set forth on Schedule I attached hereto.

Mr. Vernon A. Williams
June 4, 1999
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Also enclosed is a check in the amount of \$78.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of each of the enclosed documents to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/bg
Enclosures

SCHEDULE I

JHMX 991441-991500

60

JHMX 99841-991200

360

420 cars

JUN 4 '99

2-20PM

ACCEPTANCE NOTICE

Acceptance Date: June 4, 1999

This Acceptance Notice is executed pursuant to, and incorporates by reference all of the terms, conditions and provisions of, the Equipment Leasing Agreement dated as of June 4, 1999 between the undersigned as the Lessor and the Lessee (herein, as amended and supplemented from time to time, called the "Lease") and Lease Supplement No. 1, dated as of June 4, 1999.

The Lessee hereby (a) acknowledges and certifies that (i) each Item of Equipment described on Schedule 1 attached hereto has been selected by, delivered to, and inspected by, the Lessee, and (ii) the Lessee has reviewed and approved the purchase order, supply contract or purchase agreement covering each such Item; and (b) accepts each such Item for lease under the Lease as of the date hereof.

The Lessor and the Lessee hereby agree that each Item of Equipment described on Schedule 1 attached hereto is hereby leased by the Lessee from the Lessor under and subject to all of the terms, conditions and provisions of the Lease and Lease Supplement No. 1; that the Term with respect to each such Item commences on the date hereof and that such date is the "Acceptance Date" thereof; and that Equipment Cost for all Items of Equipment covered by this Acceptance Notice is as set forth below.

Total Number of Items of Equipment listed on Schedule 1 hereto: 420

The total Equipment Cost of the Equipment delivered hereunder and listed in Schedule 1 hereto is \$27,238,215.60.

The Applicable Rate hereunder is 7.26 %.

The Interim Rent shall be: _____.

The Lessee hereby agrees to pay the Interim Rent and the Basic Rent for all Items of Equipment covered by this Acceptance Notice in the amounts and at the times specified in Lease Supplement No. 1, reaffirms its acknowledgments and agreements in Section 8 of the Lease and certifies that its representations and warranties set forth in Section 20 of the Lease and in any related certificate delivered to the Lessor are true and correct on the date hereof.

All capitalized terms used herein which are not defined herein shall have the meaning given to such terms in the Lease.

IN WITNESS WHEREOF, the parties hereto have caused this Acceptance Notice to be duly executed by their duly authorized representatives as of the 4th day of June, 1999.

Lessee:

Attest:

ALABAMA POWER COMPANY

By: Patsy B. Sutherland
Name: PATSY B. SUTHERLAND
Title: Assistant Secretary

By: William B. Hutchins, III
Name: William B. Hutchins, III
Title: Executive Vice President, Chief
Financial Officer & Treasurer

(Corporate Seal)

Lessor:

Attest:

FIRST SECURITY BANK, NATIONAL
ASSOCIATION, not in its individual
capacity but solely as Owner Trustee, as
the Lessor

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

(Corporate Seal)

STATE OF ALABAMA

COUNTY OF Jefferson, ss:

On this 3rd day of June, 1999, before me personally appeared William B. Hutchins, III, to me personally known, who being by me duly sworn, says he is the Executive Vice President, Chief Financial Officer & Treasurer of **ALABAMA POWER COMPANY**, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[NOTARIAL SEAL]

Kimberly S. Shift
Notary Public

My Commission Expires: 11-25-2000

IN WITNESS WHEREOF, the parties hereto have caused this Acceptance Notice to be duly executed by their duly authorized representatives as of the 4th day of June, 1999.

Lessee:

Attest:

ALABAMA POWER COMPANY

By: _____

Name: _____

Title: _____

By: _____

Name: William B. Hutchins, III

Title: Executive Vice President, Chief
Financial Officer & Treasurer

(Corporate Seal)

Lessor:

Attest:

FIRST SECURITY BANK, NATIONAL
ASSOCIATION, not in its individual
capacity but solely as Owner Trustee, as
the Lessor

By: _____

Name: **C. Scott Nielsen**

Title: **Vice President**

By: _____

Name: **Brett R. King**

Title: **Assistant Vice President**

(Corporate Seal)



STATE OF ALABAMA

COUNTY OF _____, ss:

On this ____ day of _____, 1999, before me personally appeared William B. Hutchins, III, to me personally known, who being by me duly sworn, says he is the Executive Vice President, Chief Financial Officer & Treasurer of **ALABAMA POWER COMPANY**, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[NOTARIAL SEAL]

Notary Public

My Commission Expires: _____

STATE OF Utah

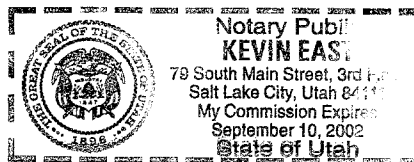
COUNTY OF Salt Lake ss:

On this ___ day of _____, 1999, before me personally appeared Brett R. King to me personally known, who being by me duly sworn, says [s]he is the AVP of **FIRST SECURITY BANK, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner Trustee, as the Lessor**, that the seal affixed to the foregoing instrument is the corporate seal of said national association, that said instrument was signed and sealed on behalf of said national association by authority of its Board of Directors, and [s]he acknowledged that the execution of the foregoing instrument was the free act and deed of said national association, not in its individual capacity but solely as Owner Trustee, as the Lessor.

Kevin East
Notary Public

[NOTARIAL SEAL]

My Commission Expires: _____



SCHEDULE 1

<u>Car Numbers</u>	<u># of Cars</u>	<u>Cost per car</u>	<u>Additional Cost for Brakes per Car</u>	<u>Total Cost</u>
991441-991500	60	\$61,719.18	\$3,000.00	\$ 3,883,150.80
99841-9991200	360	\$61,875.18	\$3,000.00	<u>\$23,355,064.80</u>
				\$27,238,215.60